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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Dairy Division

Market Administrator
116 S. William Street
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South Bend 24, Indiana

Issued For Information of Producers
Who Are Not Members of Cooperative Associations

Vol. III, No. 7

July 1959

JUNE BASE PRICE \$3.78

Dairy farmers will receive a base price of \$3.78 for June 1959 deliveries of Grade A base milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The base price is based upon a butterfat test of 3.5 percent, and will be adjusted by a differential of 7 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This price is 2 cents higher than the May base price, and 39 cents higher than the base price of a year ago.

JUNE EXCESS PRICE \$2.91

June 1959 deliveries of Grade A excess milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order will be paid for at the rate of \$2.91 per hundredweight for 3.5 percent milk, and adjusted by the same differential of 7 cents as is used for base milk. These minimum prices are subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge. For comparative purposes, a uniform price of \$3.62 per hundredweight was computed. This price is 3 cents higher than the May 1959 computed uniform price and 33 cents higher than the computed uniform price of June 1958.

PRODUCER RECEIPTS

There has been a sharp decline in producer receipts of about 6 percent on a daily basis from the May 1959 delivery period. A year ago the decrease in daily production was only 2.35 percent. Extremely dry weather in certain areas of the milk shed is one of the causes for this sharp decline in production. Class I utilization of producer receipts was 69.5 percent, as compared with 66.8 percent for the month of May. Base milk was 82.6 percent of the total producer receipts, showing that the base-excess plan has evened out the production pattern to a certain degree in this marketing area.

CLASS I SALES

There was a decrease of 1.7 percent in Class I sales on a daily basis from the May 1959 delivery period, but a year ago the decrease from May to June was almost 8 percent, giving an indication that Class I sales will stay at a higher level this summer than the summer of 1958.

CLASS I PRICE

The Class I price for the July 1959 delivery period will be \$4.05 per hundredweight for 3.5 percent milk. This price was computed by adding \$1.10 per hundredweight to the average price of the 12 condenseries in June 1959 (\$2.91), and adding the supply-demand adjustment of 4 cents. The supply-demand adjustment for the August 1959 delivery period will be a plus 2 cents.

UTILIZATION AND CLASSIFICATION OF MILK

	June 1959 Reported Data		June 1958 Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
CLASS I				
Milk	13,673,284	479,673	8,319,011	293,600
Skim Milk	173,345	570	115,960	826
Fortified Skim Milk	1,239,624	26,109	1,017,413	20,431
Buttermilk	212,770	2,029	151,760	970
Flavored Milk & Drink	384,382	9,732	176,947	4,591
Cereal Mixture	307,683	37,530	266,620	32,596
Coffee Cream	29,003	5,769	15,676	3,169
Whipping Cream	45,531	16,659	26,073	8,971
Sour Cream	16,049	3,132	13,092	2,519
Total Class I Utilization	16,081,671	581,203	10,102,552	367,673
Add: Class I Shrinkage	62,227	5,034	116,688	3,678
Subtract: Other Source Receipts	--	--	--	--
Subtract: Overage	--	--	--	--
Net Class I	16,143,898	586,237	10,219,240	371,351
CLASS II				
Used to Produce Cottage Cheese	1,626,819	15,222	1,414,033	14,306
Subtract: Other Source Receipts	1,178	--	--	--
Subtract: Overage	--	--	--	--
Net Class II	1,625,641	15,222	1,414,033	14,306
CLASS III				
Class III Products	5,907,548	245,866	7,803,887	308,753
Inventory Variation	(480,487)	(9,350)	152,807	5,239
Total Class III Utilization	5,427,061	236,516	7,956,694	313,992
Add: Class III Shrinkage	198,457	8,966	115,163	11,353
Subtract: Other Source Receipts	141,432	15,332	127,300	7,641
Subtract: Overage	31,919	1,042	103	103
Net Class III	5,452,167	229,108	7,944,454	317,601
TOTAL PRODUCER RECEIPTS	23,221,706	830,567	19,577,727	703,258

MISCELLANEOUS INFORMATION

	June 1959	May 1959	June 1958
Total Production	23,221,706#	25,493,238#	19,577,727#
Average Daily Production	774,057#	822,363#	652,591#
June 1959 Prod. Compared With -	--	- 5.87%	+ 18.61%
Number of Producers	1,264	1,272	1,011
Daily Herd Production	612#	643#	645#
Av. Test of Producer Milk Received	3.57668%	3.68242%	3.59213%
Av. Price 3.5% Milk	\$ 3.62 *	\$ 3.59 *	\$ 3.29*
Base Price 3.5% Milk	\$ 3.78	\$ 3.76	\$ 3.39
Excess Price 3.5% Milk	\$ 2.91	\$ 2.92	\$ 2.89
Chicago 92 Score Butter	\$.57974	\$.57905	\$.57750
Class I Sales	16,081,671#	16,899,307#	10,102,552#
Class I Daily Average	536,056#	545,139#	336,752#
June 1959 Sales Compared With -	--	- 1.67%	+ 59.18%
Total Value Paid Producers	\$853,757.72	\$946,813.62	\$658,197.78
Av. Monthly Milk Check Per Farm	\$ 675.44	\$ 744.35	\$ 648.47
Av. Daily Milk Check Per Farm	\$ 22.51	\$ 24.01	\$ 21.62
Producer Butterfat Differential	\$.070	\$.069	\$.069

* This Price for Comparison Only

